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CENTRAL INTELLIGENCE AGENCY OFFICE OF CURRENT INTELLIGENCE 12 May 1953

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REVIEW OF

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THE SITUATION IN INDOCHINA

Military Situation

The long term trend in Indochina since 1945 has been one of military deterioration accelerated by the following factors:

- 1. The fall of the frontier forts in 1950;
- 2. The Hoa Binh fiasco in 1951-52:
- 3. The loss of the Thai country in 1952;
- 4. The present campaign in Laos, which indicated a French inability to prevent Viet Minh expansion despite advance French notice, superiority in fire power, air power, and over-all manpower:
- 5. Viet Minh capability to attack successfully any part of the Tonkin Delta, proved by such incidents as the destruction in part of the Kien An ammunition dumps, the capture of a Vietnamese army training class at Nam Dinh, and the infiltration of the southern part of the Delta under the watch of a large French task force;
- 6. The failure of three French operations on the Annam coast under optimum conditions.

The French are actually glutted with US aid materiel; and in fact are forced to keep a large amount in dead storage and unable to maintain the materiel properly in use because of a lack of maintenance personnel. Much of the heavy equipment is unadaptable to the terrain, and misuse of the equipment by the French has been observed.

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There is an absence of any serious attempt to put Vietnam on a war footing. Much of the Vietnamese National Army consists of units transferred from French Union forces and does not represent any actual increase in the National Army. small percentage of commando battalions will be combat ready by the end of 1953. A mobilization program to relieve these problems is almost non-existent because of the lack of political concessions needed to motivate the nationals. The following factors contribute to the Vietnamese lethargy and French stubborness: French national pride, an unwillingness of the entrenched bureaucracy and the vested business interests to disturb the status quo, the continued fence sitting of a large portion of the Vietnamese which stems from a combination of lack of confidence in their own ability and the motives of the government and the French military, plus a fear of a Viet Minh or Chinese Communist victory.

Comment: Ample evidence has been received over a long period to support the conclusion of a steady deterioration of the military situation in Indochina.

The French have been particularly inefficient in their utilization of aircraft provided by the US. In this connection, the American military attache at Saigon protested against the recent proposal to send six C-119's to Indochina, saying the French had a sufficient number of C-47's for the supply of garrisons in Laos and that C-119's were unsuitable for the operations envisioned.

There have been several reports recently that this year's program for the expansion of the Vietnamese army is lagging badly. In addition to the factors cited above, it is believed by many observers that the French are delaying from fear that a strong native army would force them to relinquish their present controls.

Political Situation

Some progress toward a limited autonomy of the Associated States has been made, but developments along this line are far too slow considering the urgency of the situation, and are further handicapped by the effect of military defeats. The few French political concessions have been involuntary, tardy and graceless, which deprives the French of any benefits they might have derived if the concessions had been made under other conditions.

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The Vietnam Government is weak and in a sense there is no contact with the population. The government is incapable of mobilization of human and natural resources. It has only tenuous contact with organized political parties enjoying political support, and these parties at best give the government a limited support; at the worst they support the Viet Minh as an instrument of national liberation.

Comment: The political picture described above accurately reflects the majority of reports received from Indochina over the past several years.